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OGC Has Reviewed

23 January 1951

MEMORANDUM FOR: Deputy Director (Administration)

SUBJECT: Notes on PRC Meeting -

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1. The meeting was opened with a statement by the Recorder of the immediate purposes of the project to obtain the site, to allot \$275,000.00 for restoration, to approve the budget of \$250,000.00 to cover operation for one year and for permission to put in supplementary requests as new restoration was required. Inquiry from the Chairman brought out the fact that the figures set forth above covered only a portion of the expenditures which would be required as insufficient provision was made for personnel and no provision was made for furnishing vehicles, furniture, medical equipment, training equipment or maintenance equipment. If the restoration were accomplished at an early date and operations begun, the Chairman stated it was clear that expenses of this nature must be considered.

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2. Consideration was therefore given to the personnel costs for the remainder of FY 1951. Immediate transfer of the [] will require approximately \$15,000.00. While it was improbable that full staffing could be accomplished before June 31, it was estimated that, based on a reasonable T/O, an allowance of an additional \$100,000.00 should be provided.

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3. The Chief of Procurement then pointed out that he would have to make provision for supplies and equipment and that he had no existing allocation for such purposes. After discussion on the number of vehicles, the type and nature of training equipment and supplies of all sorts, including food and expendable supplies, it was agreed that a figure of \$250,000.00 could be allowed for these purposes for FY 1951.

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4. The Chief of Procurement then pointed out that he had an immediate need for facilities for storage, packing and some [] Routine storage, packing and shipping of [] is done by the Army, but special packing and some special testing and shipping the Army could not do and outside facilities were

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required. The Chief of Procurement therefore inquired whether he might be given space to put up [] and the necessary housing. Subject to further discussion, it was agreed that possibly the permanent solution for this problem should be to have the facilities near a port of debarkation to cut down on the number of re-shipments, but to meet the immediate problem, it was agreed that minimum facilities should be provided for an interim solution of the [] problem as these facilities would later be useful for [] and equipment used in training. The [] and some of the equipment could be put up with the help of [] and the buildings would cost an estimated \$50,000.00.

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5. The construction of the camps was approved as stated in the submitted project, to be done by a private contractor for an estimated \$275,000.00. In view of the many aspects of construction which might be unforeseen or are not yet fully explored, a contingency of \$10,000.00 was suggested and approved.

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6. Mr. [] then asked whether this site had been decided upon because it was known to have been available or as a result of elimination of other possibilities. It was pointed out that a wide survey of areas reasonably close to Washington had been made. Either they would require an outright purchase or construction of all facilities or were not suitable from the point of view of transportation, whereas [] can be obtained [] and has at least some of the housing and construction in place; therefore far cheaper than any other site and is satisfactory from the transportation point of view.

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7. Mr. [] then noted his understanding that this was an isolated area with no recreation facilities, and he suggested there would be a serious personnel problem in persuading employees to remain for long periods of time, particularly in the time of manpower shortages when competition from private industry is keen. The Chairman agreed that this might be a critical factor, particularly as the employees will have to be cleared. Mr. [] suggested the possibility of asking the draft authorities to draft those not physically fit for normal active duty to be assigned to Service companies from which CIA could draw for such problems as were faced in this project. It is understood that the Personnel Director was negotiating on this theory prior to presentation of this project and that there is reason to believe that the personnel will be composed of draftees. The Personnel Director has just informed me that discussions were proceeding, but there are many technical points which will have to be covered. The Chairman felt that this

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personnel problem was of sufficient importance to make satisfactory solution a condition precedent to final approval of the project. The Committee then summed up and agreed that the allotment of \$700,000.00 for the Fiscal Year 1951 would not be exorbitant.

8. The Chief of the Training Division pointed out that his requirements from the covert offices were by no means in final form and he fully expected to be required to activate more camps by the summer of 1951. It was therefore suggested that he should be prepared to submit more detailed plans for such expansion in the near future.

LAWRENCE R. HOUSTON
Recorder, PRC

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